FUTURE FISHERIES IMPROVEMENT PROGRAM GRANT APPLICATION

(please fill in the highlighted areas)

I.	AP	PLICANT INFORMATION			
	A.	Applicant Name: Clark Fork Coalition			
	В.	Mailing Address: Box 7593			
	C.	City: Missoula State: MT Zip: 59807			
		Telephone: 406-542-0539 x4			
	D.	Contact Person: Will McDowell			
		Address if different from Applicant: same			
		City: State: Zip:			
		Telephone: 406-396-7716 CELL			
	E.	Landowner and/or Lessee Name (if other than Applicant): Hans and Angel Lampert, Lampert Ranch			
		Mailing Address: 12204 Eastside Road			
		City: Anaconda State: MT Zip: 59711			
		Telephone: 406-693-2396			
II.	PROJECT INFORMATION*				
	A.	Project Name: Lower Lost Creek Flow Enhancement			
		River, stream, or lake: Lost Creek			
		Location: Township 5N Range 9W Section 6			
		County: Deer Lodge			
	B.	Purpose of Project: Enhance in-stream flows in lower Lost Creek about one mile upstream of the Clark Fork River improving connectivity of Lost Creek with the river.			
	С	Brief Project Description:			

Lost Creek is a valuable brown trout spawning and rearing stream in the Upper Clark Fork basin near Galen, MT. Montana Fish Wildlife and Parks rated it as one of the priority streams (Tier 2) for fisheries restoration in the upper Clark Fork in 2011, with flow augmentation as the highest priority restoration activity. Chronic dewatering, elevated late season water temperatures, and fish passage/entrainment are the primary constraints to improvement of the Lost Creek fishery. Minimum daily flows in lower Lost Creek, at the USGS gage at Interstate 90 average 4 cfs in July and August (2002 to 2010 data).

About 400 yds. downstream of the USGS gage, Beckstead ditch diverts water to the north, essentially dewatering Lost Creek for one to two months in late summer. This dewatering severs the stream's connectivity with the Clark Fork, degrades the last mile of stream habitat down to the river, and elevates water temperatures. In 2011, Trout Unlimited documented a brown trout fish kill at this site (see photos). This project will shut down Beckstead Ditch from July 5 to the end of the irrigation season, adding the entire 3.85 cfs Lampert Ranch water right, the only active water right on the ditch, back to lower Lost Creek, reestablishing its hydrologic connection to the Clark Fork.

This project will fund a two-year diversion reduction agreement, the first step in arranging a long-term in-stream flow water lease with the landowner. The headgate would be closed on July 5, and Lampert Ranch would perceive a \$3,000/yr lease payment for foregone production from its 160 acre irrigated pasture (value of \$4/ac-ft/yr). No other diversions exist downstream of Beckstead Ditch on Lost Creek, which tends to be a gaining stream in its lower reach.

The Lampert Ranch has signed an agreement with the Clark Fork Coalition which begins the process of a change of use of the water right, from early July to the end of irrigation season, to instream flow. The change of use process with DNRC is time-consuming, often consuming over a year, and requires the effort of specialized personnel. The Clark Fork Coalition will monitor the two-year diversion reduction agreement, perform all due diligence, hydrologic and legal analysis and preparation of the application to DNRC for instream flow, while simultaneously working with the Lampert Ranch to raise funds to pay for the price of a long-term instream flow agreement (probably a 10-year renewal lease, but all options will be considered).

The Coalition believes that the potential for funding a long-term agreement at this site is good, given the interest of various funders (Columbia Basin Water Transaction Program-BPA, state of Montana-NRDP, etc.) in flow enhancement projects. This could be an important pilot project for future in-stream flow deals with this and neighboring landowners.

D.	Length of stream or size of lake that will be treated:I	Rewatering one mile of Lost Creek			
E.	Project Budget:				
Grant Re	equest (Dollars): \$ 8000				
Contribution by Applicant (Dollars): \$ <u>0</u> In-kind \$ <u>8050</u> salaries of government employees <u>are not</u> considered as matching contributions)					
Contribution from other Sources (Dollars): \$ 0 In-kind \$ 0 attach verification - See page 2 budget template)					
	Total Project Cost: \$ 16,050	·			

F. Attach itemized (line item) budget – see template

- G. Attach specific project plans, detailed sketches, plan views, photographs, maps, evidence of landowner consent, evidence of public support, and/or other information necessary to evaluate the merits of the project. If project involves water leasing or water salvage complete <u>supplemental</u> <u>questionnaire</u> (fwp.mt.gov/habitat/futurefisheries/supplement2.doc).
- H. Attach land management and maintenance plans that will ensure protection of the reclaimed area.

III. PROJECT BENEFITS*

A. What species of fish will benefit from this project?:

Brown trout, mountain whitefish, largescale sucker, slimy sculpin

B. How will the project protect or enhance wild fish habitat?:

Enhance wild trout habitat in one mile of Lost Creek, but more importantly, it will re-establish connectivity between Lost Creek and the Clark Fork River. Lost Creek is known to be an important spawning site for Clark Fork river brown trout. Although not a solution to the entrainment issue, closing the Beckstead headgate will minimize entrainment during the late summer-fall period.

C. Will the project improve fish populations and/or fishing? To what extent?:

It is believed that the project will improve salmonid populations in Lost Creek and in the Clark Fork river by improving the connectivity between the creek and the river, enhancing recruitment of juvenile fish from Lost Creek into the river.

D. Will the project increase public fishing opportunity for wild fish and, if so, how?:

Lost Creek is a potentially very important source of fluvial brown trout recruitment to the Clark Fork river. Montana Fish Wildlife and Parks, and various funders, invested a large amount of money in habitat restoration in Lost Creek above this site about 10 years ago. This project will help realize the potential public benefits of that prior investment, which appears to be constrained by dewatering and possibly entrainment issues.

E. If the project requires maintenance, what is your time commitment to this project?:

The Clark Fork Coalition runs a neighboring ranch, Dry Cottonwood Creek Ranch. The Coalition has a ranch manager and two full-time staff working on restoration projects in the Upper Clark Fork. The Coalition will monitor the diversion, and the flow in lower Lost Creek on a monthly basis from June to October, for both years of the project, and will work on funding a long-term lease, and changing the water right to a split-season lease.

What was the cause of habitat degradation in the area of this project and how will the project F. correct the cause?:

The cause of habitat degradation is dewatering (and high water temperatures). This water right was dewatering lower Lost Creek. Closing this headgate from July 5 to end of season will alleviate the worst of the dewatering problem in this section of creek.

	The public will benefit from the improved fishery in the Clark Fork, and improved fishery in Lost Creek itself (lower Creek is accessible by wading for river floaters).			
Н.	Will the project interfere with water or property rights of adjacent landowners? (explain):			
	No. The project is on the lowest ditch on Lost Creek. Adjacent landowners on Beckstead Ditch do not use this water for irrigation or stock water. No water rights impact is anticipated.			
l.	Will the project result in the development of commercial recreational use on the site?: (explain):			
	No.			
J.	Is this project associated with the reclamation of past mining activity?:			
	The diversion and irrigated lands are outside of the mining damage activity areas but lower Lost			
	Creek passes through the Clark Fork River Superfund cleanup site just below the project site. Lost Creek itself has some mining related metals contamination issues.			
-	proved project sponsor must enter into a written agreement with the Department specifying nd duration of the project.			
	JTHORIZING STATEMENT			
	we) hereby declare that the information and all statements to this application are true, complete, and curate to the best of my (our) knowledge and that the project or activity complies with rules of the			
	ture Fisheries Improvement Program.			
Applicant Signature: With Bluell Date: 30 Nov 2012				
	· · · · · · · · · · · · · · · · · · ·			
Sponsor	r (if applicable):			
•				
"Highlig	hted boxes will automatically expand.			
Mail To:				
	Habitat Protection Bureau			
	PO Box 200701 Helena, MT 59620-0701			

G. What public benefits will be realized from this project?:

Incomplete or late applications will be returned to applicant.

Applications may be rejected if this form is modified.

Applications may be submitted at anytime, but must be received by the Future Fisheries Program office in Helena <u>before</u> December 1 and June 1 of each year to be considered for the subsequent funding period.